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DOE review  
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Not referred to DOC. Waiver  
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1 August 1958

Dear Chairman Durham:

On July 25 you were furnished an advance copy of a joint Atomic Energy Commission-Maritime Administration, Department of Commerce announcement of the selection of the States Marine Corporation of Delaware as the general operating agent for the NS SAVANNAH. It has, subsequently, come to my attention that certain protests have been made to members of the Congress concerning this selection.

I understand that these protests, at least in part, refer to my former interest in the Joshua-Hendy Corporation. As you may know from my written statements submitted to the Joint Committee, the Joshua-Hendy Corporation has interests in common with States Marine Corporation. It is reported that the statement has been made to members of the Congress that I was personally instrumental in the selection of the States Marine Corporation as the operating contractor for the NS SAVANNAH.

I first became aware of the selection of the States Marine Corporation as the operator of the NS SAVANNAH on July 25, 1958, the day of the issuance of the press release. I was informed that the release had been prepared since early June but was held up awaiting final action by the Department of Commerce.

A representative of the Atomic Energy Commission acted as a member of a selection board established by the Department of Commerce on April 7, 1958, to evaluate seven proposals received from interested ship operators on March 17th. The staff of the Atomic Energy Commission advised the Department of Commerce on June 6, 1958, that there was no objection with the selection of States Marine Corporation as the operator of the SAVANNAH. June 6th was prior to my nomination and long before my induction into office; therefore, it is quite obvious that I had no voice in this matter.

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- 2 -

The point I would like to make abundantly clear is that all actions by AEC in this matter were taken prior to my assuming the Chairmanship of the Commission. Also, I would like it clearly understood that Joshua-Hendy Corporation nor I personally nor any corporation or business interest of my family is interested directly or indirectly in the operation of the NS SAVANNAH or in any other AEC contracts, and if it comes to your attention that anyone is under the impression that I have anything to gain in this matter, I would like to discuss the subject with you and the parties involved at the earliest moment. I am sure that you understand as I assume the vast responsibilities of this new office that this matter is of most importance to me.

Yours very truly,

/s/ John A. McCone

Honorable Carl T. Durham  
U. S. House of Representatives  
Washington 25, D. C.

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